

*File*  
*GEHA*

12 September 1956

MEMORANDUM FOR THE RECORD

SUBJECT: Meeting with Omaha

*done*  
*W. J.*  
*W. B. L. C.*  
*S. J. L. W.*

1. On 10 September 1956 Mr. [ ] and the writer met with two representatives of Mutual of Omaha, Mr. Randall and Mr. Jones, at the Westchester Apartment Hotel and discussed the following topics which are presently of major interest to GEHA, Inc.:

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*Must*

1. It was definitely decided that in the event Group Hospitalization Incorporated is no longer available to employees of this Agency, Mutual of Omaha will permit any employees becoming separated here to carry on their present Mutual of Omaha contract up to eleven months after such resignation in order to allow such employees to obtain Blue Cross or other Group coverage in other Government agencies or private industries insured under a Group Hospital plan. This arrangement will keep such separated employees in possession of complete coverage until a new drive period is instituted in the new agency or private industry in which they may become employed.

*W. J. L. W.*

2. The above representatives of Omaha strongly advise that an adequate reserve should be set up out of dividends being paid under the United Benefit Group Life Plan. They stated that it is customary with all such groups to build a suitable reserve to cover all possible contingencies in order to safely forestall a possible increase of premiums in the event of catastrophic losses and also to provide a source of guarantying against rate increases in the event such age group becomes considerably older over a period of

years thereby causing a natural higher mortality. It also becomes essential in the event the directors of an association administering such a group plan choose to broaden benefits; for example, increase the accidental death benefit or add types of terminal benefits for employees reaching age 65 or some other such suitable retirement age.

3. It was agreed that no further new hospitalization benefits should be added to the Omaha contract until we have had an additional year's Experience. This means 1 September 1957.

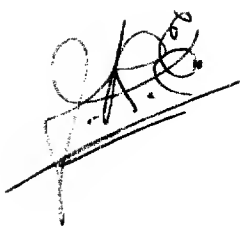
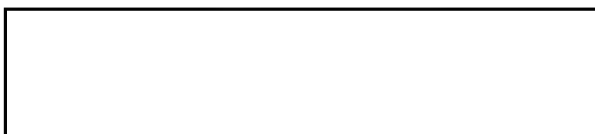
4. The Omaha representatives were requested to survey the possibility of increasing the coverage under the Polio and the Eight Dread Diseases Contract due to the excellent experience of the past year or two coupled with the fact that the spread of this coverage has now passed <sup>five</sup>~~five~~ hundred members.

5. We further requested that the Omaha Home Office forward to us at the earliest practicable time a statement as to the approximate amount of the UBLIC dividend for the Fiscal Year September 1955 to September 1956.

6. Mr. [ ] delivered to us suitable Riders to attach to our Mutual of Omaha hospitalization master CONTRACT which cover the following: "Premium Adjustment Rider" and "Amendment Rider" which cover the recent premium reduction from \$7.98 down to \$7.40 on the Family Contract and increases overseas room and board coverage /maternity excluded/ from \$9.00 to \$13.50 per day, and increased normal maternity coverage, both domestic and overseas, from \$9.00 per day up to 8 days to \$10.00 per day up to 8 days.

7. We requested Mr. [ ] also to forward to us a Home Office Claims Settlement Sched-

ule, which schedule covers a very large number of surgical operations. This schedule will assist this office in expediting claim settlements rather than having to call the Washington Omaha Office so frequently for necessary information which will be available under the schedule.

A handwritten signature in dark ink, appearing to be "J. E. ...", written over a horizontal line.

✓ President, GEHA, Inc.

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